

Another Admits Alibi Fake in Laughlin Trial

Testifies He Signed False Statement For Robbery Case

By NORMAN A. KAHL,
Star Staff Correspondent

BALTIMORE, Sept. 12.—The second witness to repudiate an affidavit intended to provide an alibi for a client of James J. Laughlin took the stand for the Government in Federal Court here today in the second day of the trial of Mr. Laughlin, Washington attorney, charged with impeding justice.

John Donaldson, alias John Dickey, testified that an affidavit he signed in January, 1942, to the effect that Hilliard Sanders visited the Florida State prison farm on September 25, 1941, was false.

Sanders is now serving a 20-year jail term for his participation in the armed robbery of the Prince Georges County Bank & Trust Co. in Hyattsville on that day.

Gibson Cross-Examined.

Mr. Laughlin is charged with having knowledge of the perjured affidavit used in the trial of Sanders in an effort to show he was in Florida the day the crime was committed.

Earlier today Mr. Laughlin finished cross-examining Hugh Gibson who was an inmate at the Florida prison with Donaldson at the time of the robbery, and who yesterday testified that Mr. Laughlin knew the records at the jail were being falsified to benefit Sanders.

Leon Steinberg, an inmate at the Florida prison in 1941, told the court this afternoon he had consented to Gibson's proposition to change the record and had approached a Mr. Williams, previously identified as captain of the guards, about it. He said he gave Williams \$25 in an envelope and that he was present when a new sheet was inserted into the loose-leaf book to indicate that Sanders had visited the place on September 25.

Judge Breaks Into Testimony.

Judge John Paul interrupted Steinberg's testimony to ask how he and the other conspirators knew that Sanders would approve of the alibi they were preparing for him, since they had not previously consulted him.

"How did you know Sanders had not told the police he was in Pitts-

burgh or some other city and you would be getting him into trouble by placing him in Florida?" the judge asked.

"It was optional for the defendant whether he wanted to use the alibi," the witness replied.

Three other witnesses were questioned briefly today by Thomas M. Kenney, Assistant United States District Attorney. They were:

William J. Finlay, an employee of the Hotel George Washington in Jacksonville, Fla., who identified hotel records to show that Mr. Laughlin had visited the hotel, which is about 40 miles from the Florida prison, on three occasions within a few months after the Hyattsville robbery. Mr. Laughlin contends he made two visits to the prison farm and intimated that his first stay at the hotel was to attend a convention in Jacksonville.

Identifies Prison Files.

Lawrence E. Dugger, assistant director of the record office at the Florida prison, who identified prison files which have been introduced in evidence, to show visitors at the prison farm.

Miss Rose Lee Dunbar, secretary to the superintendent at the prison, who verified the fact that she had notarized affidavits made by inmates and employees to support Sanders' alibi.

Mr. Laughlin, conducting his own defense, has denied any knowledge that records at the Florida prison were altered, as Gibson charged, and has further stated that Sanders still maintains his innocence.

Ousted From Sedition Trial.

Mr. Laughlin, who was ousted as an attorney in the mass sedition trial in Washington several months ago because he sought the impeachment of the presiding judge, Chief Justice Edward C. Eicher, clashed several times with Gibson yesterday afternoon when he was cross-examining the witness.

Gibson admitted he had a long record of criminal offenses dating back to 1927, and including forgery, possession of counterfeit money, hi-jacking and smuggling of whisky. He also said he is now out under bond in Georgia on charges that he kidnaped and assaulted a sheriff in North Carolina. He insisted, however, that the story he told from the stand yesterday was the truth.

At one point Mr. Laughlin asked the witness when his conscience first began bothering him concerning his part in the alleged falsification of records.

Bothered by Legal Fees.

"Well, I tell you, Mr. Laughlin," Gibson said, "it began bothering me when a man can steal a bunch of money and a lawyer beats him out of all of it. I decided I better quit stealing."

"What lawyer?" Mr. Laughlin asked.

"Any lawyer."

"Do you mean to imply that I

stole from Sanders?"

Gibson paused. "No, sir," he said. Gibson asserted that two affidavits he signed, purporting to show that Sanders was in the Florida prison as a visitor on the day of the robbery, were false. He told the following story of how they came to be drawn up, along with other similar evidence:

Sanders, whom he had not seen for five years, came to visit him at the prison farm, where he was serving a term for being an accessory to forgery. He arrived on Sunday and Gibson said he "had to shoo him away" because he was umpiring a baseball game. Before he left, however, he gave Gibson \$400.

Gibson Arranged Falsification.

A few days later Sanders reappeared at the prison and offered to help Gibson contact a lawyer who would try to bring about his release. On a third visit, shortly afterward, Sanders said he had to hurry away but that he would leave \$700 with the lawyer who had been selected for Gibson.

Subsequently, when Gibson saw in a newspaper that Sanders had

been arrested and that Mr. Laughlin was his attorney, he said he arranged for the falsification of the prison records by paying a Joe Steinberg, described as then being an inmate and secretary to the captain of the guards, the sum of \$25. This was intended for the captain who was to change the records to show that Sanders had been a visitor on September 25 instead of September 28.

Gibson called Mr. Laughlin long distance, the story continued. Mr. Laughlin assertedly told Gibson he could not talk to him on his own phone because the wires were tapped by the FBI, but he called him back later, whereupon Gibson allegedly told Mr. Laughlin that the records had been "fixed."

Asked If Laughlin Knew.

Judge John Paul, who is hearing the case in the place of Federal Judge William C. Coleman, against whom Mr. Laughlin filed an affidavit of prejudice, interposed to ask whether Gibson actually told Mr. Laughlin over a prison telephone that the records had been altered. When the witness replied that he had, Judge Paul said:

"What kind of a prison is that?"

Gibson declared that Mr. Laughlin provided \$500 to be paid to a Mr. Redding, a guard at the prison farm, and that another \$500 went to a Lester Royal, who was to use part of it to bribe employes of a Florida hotel to change their register to indicate that Sanders stopped there on September 25. Gibson declared he was to get \$200 of this sum from Royal, but that he actually received only \$100.